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SUPPORTING STATEMENT**A. Justification:**

1. *Circumstances that make collection necessary.* Pursuant to the E-rate program (formally known as the schools and libraries universal support program, designated at 47 C.F.R. §§ 54.501-54.503), eligible schools, libraries, and their consortia may apply for discounts for telecommunications services, Internet access, and internal connections. In general, the applicant must use the funded services within the funding year, which runs from July 1 through June 30, except that the rules of the Federal Communications Commission, hereinafter Commission, give applicants three additional months, until September 30 following the close of the funding year, to install one-time services known as non-recurring services. The Universal Service Administrative Company, hereinafter referred to as USAC or the Administrator, may extend the September 30 deadline if the applicant falls within at least one of four designated circumstances. The applicant must, however, submit any required documentation to support an extension on or before the September 30 deadline.

Specifically, under the rule, applicants qualify for an extension of the September 30 deadline for non-recurring services if they satisfy one of the following criteria: (1) applicants whose funding commitment decision letters are issued by the Administrator on or after March 1 of the funding year for which discounts are authorized; (2) applicants who receive service provider change authorizations from the Administrator on or after March 1 of the funding year for which discounts are authorized; (3) applicants whose service providers are unable to complete implementation for reasons beyond the service provider's control; or (4) applicants whose service providers are unwilling to complete installation because funding disbursements are delayed while the Administrator investigates their application for program compliance.

These extensions ensure that schools and libraries are not penalized when they are not responsible for missing the installation deadline. Additionally, implementation of this policy provides clarity to the Administrator and applicants by establishing a certain deadline for installation. This rule also gives schools and libraries in the program the opportunity to schedule implementation of non-recurring services over the summer months.

As noted on the Form OMB 83i, this information collection does not affect individuals or households; thus, there are no impacts under the Privacy Act.

Although there are no changes to the collection requirements, a total hourly burden change is requested. The public burden for the collection contained herein is now 848 annual burden hours, which is a decrease of two annual burden hours. The adjustment is due to an increase in the number of estimated respondents, based on updated information received from USAC, the administrator of the schools and libraries program, and a decrease in the amount of time we estimate it will take each respondent to respond to the collection.

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Statutory authority for this collection of information is contained in sections 151, 154 (i) and (j), 201-205, 214, 254 and 403 of the Communications Act of 1934, as amended.

2. *Use of information.* The Commission will use the information collected to determine whether schools and libraries applicants qualify for additional time to implement non-recurring services.
3. *Technological collection techniques.* Applicants will be able to electronically file via facsimile or email or mail paper copies of their submissions. Copies of the forms will be available on the Administrator's website.
4. *Efforts to identify duplication.* Applicants who meet at least one of the first two criteria are automatically granted an implementation deadline extension by the Administrator. No request is necessary, because USAC already possesses the required information. If an applicant believes it qualifies under criterion (3) or (4), the applicant must submit documentation to USAC prior to the expiration of the September 30 deadline. To meet criterion (3), the applicant must demonstrate that its service provider was unable to deliver the services due to events beyond the service provider's control, such as labor walk-outs or natural disasters. To meet criterion (4), the applicant must demonstrate that its service provider was unwilling to implement non-recurring services before the expiration of the original non-recurring services installation deadline, because the Administrator had withheld payment for those services on a properly submitted invoice for more than sixty (60) days after the submission of the invoice. The information sought in these collections is unique to each respondent and is not otherwise available to the Administrator. Therefore, there is no duplication of information.
5. *Entities subject to requirements.* Entities directly subject to the requirements are primarily schools and libraries. The requirements have been designed to impose the least possible burden on the respondents.
6. *Consequences if information is not collected.* Without the requested information, USAC would be unable to determine whether schools and libraries qualify for an extension of the September 30 deadline for implementation of non-recurring services. The failure to collect this information would prevent the Commission from implementing section 254 of the 1996 Act.
7. *Special circumstances.* No other special circumstances will apply to this information collection.
8. *Federal Register notice; efforts to consult with persons outside the Commission.* The Commission placed a notice in the Federal Register on July 7, 2010, 75 FR 39016, as required by 5 C.F.R. § 1320.8. No comments were received.
9. *Payments or gifts to respondents.* The Commission does not anticipate providing any payment or gift to respondents.

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10. *Assurances of confidentiality.* The Commission is not requesting that the respondents submit confidential information to the Commission. If the Commission requests applicants to submit information that the applicants believe is confidential, they may request confidential treatment of such information under section 0.459 of the Commission's rules.
11. *Questions of a sensitive nature.* There are no questions of a sensitive nature with respect to the information collected.
12. *Estimates of the hour burden of the collection to respondents.*
The following represents the hour burden on the collections of information.
- (1) Number of respondents: Approximately 1,130 schools and libraries.
- (2) Frequency of response: On occasion reporting requirement, recordkeeping and third party disclosure requirement.
- (3) Annual hour burden per respondent: 45 minutes (.75 hours) for approximately 1,130 respondents. Total hour burden: **848 hours.**
- (4) Total estimate of annualized cost to respondents for the hour burden for collection of information: We estimate that this requirement will take approximately 45 minutes per respondent and will occur only once for approximately 1,130 respondents. $1,130$ (number of respondent) \times 45 minutes (.75) = 848 hours \times \$45 per hour (includes administrative staff time and overhead) = \$38,160.
- Total Number of Respondents:** 1,130 respondents
- Total Number of Responses Annually:** 1,130 responses.
- Total Annual Burden Hours:** **848 hours.**
13. *Estimate for the total annual cost burden of the collection of information.* The Commission estimates that there will no capital or start-up costs for any of these requirements, nor any operating or maintenance costs or required purchase of services. These requirements will not necessitate any additional equipment, nor is there a filing fee associated with this collection.
14. *Estimate of the annualized cost to the Federal Government.* There will be few, if any, costs to the Commission because notice and enforcement requirements are already part of the Commission's duties. Moreover, there will be minimal cost to the Federal Government because an outside party will administer this program.
15. *Explain the reasons for any program changes or adjustments reported in Item 13 or 14 of the Form OMB 83i.* A decrease of two annual burden hours is requested for this submission.

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The adjustment is due to an increase in the number of estimated respondents, based on updated information received from USAC, the administrator of the schools and libraries program, and a decrease in the amount of time we estimate it will take each respondent to respond to the collection.

16. *Publishing of collection results.* Although the Commission has no specific plans to publish the results of these collections, the non-proprietary portions likely will be made publicly available.

17. *If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that the display would be inappropriate.* No request is being made to not display the expiration date.

18. *Explain each exception to the certification statement identified in Item 19, "Certification for PRA Submissions" of the OMB Form 83-I.* There are no exceptions to the Certification Statement.

B. Collections of Information Employing Statistical Methods

This information collection does not employ any statistical methods.